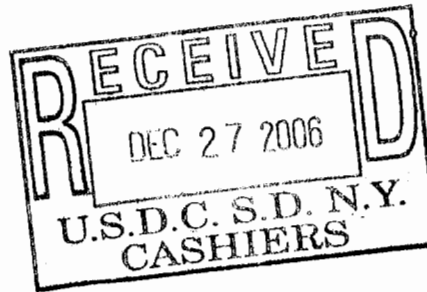


BLANK ROME, LLP  
Attorneys for Plaintiff  
CHINA NATIONAL CHARTERING CORP.  
Jack A. Greenbaum (JG 0039)  
The Chrysler Building  
405 Lexington Ave.  
New York, NY 10174-0208  
(212) 885-5000

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

OFFICE COPY



CHINA NATIONAL CHARTERING CORP.,

Plaintiff,

-against-

YANGJIANG FENGYUAN GRAIN AND  
OIL INDUSTRIAL CO. LTD.,

Defendant.

**06 CV 15496**

06 Civ.

VERIFIED COMPLAINT

Plaintiff, CHINA NATIONAL CHARTERING CORP. ("Plaintiff"), by its attorneys Blank Rome, LLP, complaining of the above-named Defendant, YANGJIANG FENGYUAN GRAIN AND OIL INDUSTRIAL CO. LTD.. ("Defendant"), alleges upon information and belief as follows:

1. This is a case of admiralty and maritime jurisdiction, as hereinafter more fully appears, and is an admiralty or maritime claim within the meaning of Rule 9(h) of the Federal Rules of Civil Procedure. The Court has admiralty jurisdiction under 28 U.S.C. §1333.

2. At all material times, Plaintiff was and now is a foreign company with its offices in Beijing, P. R. China.

3. At all material times, Defendant was and is a foreign corporation or other business entity with its offices at no. 3-6 Yan Gang Da Dao, Yang Jiang Gang, Yang Jiang City,

Gangdong 529533, P. R. China, and/or no. 4 Da Kuyi Cun Wei Hui, Ping Gang Zhen, Yang Jiang City, Guangdong 529500, P. R. China, and/or Fengyuan Industrial Zone of Baisha, Yangdong, Yang Jiang City, Guangdong 529944. Defendant has no office or place of business in the United States.

4. By a charter party dated January 15, 2005 ("the Charter"), Plaintiff agreed to provide vessels for two shipments of 55,000 m.t. bulk heavy grain in June and July 2005 which Defendant undertook to provide.

5. Defendant failed to perform either of the aforesaid shipments to which it agreed, and Plaintiff sustained damages from Defendant's breach of contract in the sum of US\$2,653,884.

6. By reason of the premises, Defendant is liable to Plaintiff in the amount of US\$2,653,884, plus interest and costs, no part of which has been paid although duly demanded.

7. The Charter provided for arbitration of disputes in London. Plaintiff reserves its right to arbitrate the disputes, pursuant to 9 U.S.C. § 8, and has commenced arbitration..

8. Maritime Arbitrators in London award interest, legal fees and arbitral costs to a successful party. Plaintiff estimates interest will be awarded at the rate of 7% per annum. Plaintiff estimates that interest will accrue for a period of at least four years, in the sum of at least \$743,088. Additionally, Plaintiff estimates recoverable legal and arbitral costs in the sum of at least \$200,000 will be incurred in defending the cargo receivers' claims and prosecuting Plaintiff's claim against Defendants.

9. The total amount of Plaintiff's claims for which Plaintiff requests issuance of Process of Maritime Attachment and Garnishment is \$3,596,972.

10. Defendants cannot be found within this district within the meaning of Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims of the Federal Rules of Civil Procedure, but Defendants are believed to have or will have during the pendency of this action, assets within this district consisting of cash, funds, freight, hire credits in the hands of garnishees in this District, including but not limited to electronic fund transfers.

**WHEREFORE**, Plaintiff prays:

A. That process in due form of law issue against the Defendants, citing them to appear and answer under oath all and singular the matters alleged in the Complaint;

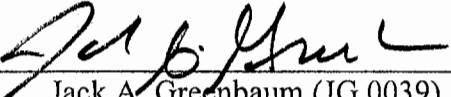
B. That since the Defendants cannot be found within this District pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims, this Court issue an Order directing the Clerk of Court to issue Process of Maritime Attachment and Garnishment pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims, attaching all of Defendants' tangible or intangible property or any other funds held by any garnishee in the district which are due and owing or otherwise the property of to the Defendant up to the amount of \$3,596,972 to secure the Plaintiff's claims, and that all persons claiming any interest in the same be cited to appear and pursuant to Supplemental Admiralty Rule B answer the matters alleged in the Complaint;

C. That this Court enter judgment for Plaintiff's damages plus interest and costs, or retain jurisdiction over this matter through the entry of a judgment on an arbitration award.

D. That Plaintiff may have such other, further and different relief as may be just and proper.

Dated: New York, NY  
December 27, 2006

Respectfully submitted,  
BLANK ROME, LLP  
Attorneys for Plaintiff  
CHINA NATIONAL CHARTERING CORP.

By   
Jack A. Greenbaum (JG 0039)

The Chrysler Building  
405 Lexington Ave.  
New York, NY 10174-0208  
(212) 885-5000

**VERIFICATION**

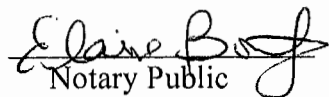
STATE OF NEW YORK            )  
                                          : ss.:  
COUNTY OF NEW YORK        )

Jack A. Greenbaum, being duly sworn, deposes and says:

1. I am a member of the bar of this Honorable Court and of the firm of Blank Rome LLP, attorneys for the Plaintiff.
2. I have read the foregoing Complaint and I believe the contents thereof are true.
3. The reason this Verification is made by deponent and not by Plaintiff is that Plaintiff is a foreign corporation, no officer or director of which is within this jurisdiction.
4. The sources of my information and belief are documents provided to me and statements made to me by representatives of the Plaintiff.

  
Jack A. Greenbaum

Sworn to before me this  
27<sup>th</sup> day of December 2006

  
Notary Public

**ELAINE BONOWITZ**  
Notary Public, State of New York  
No. 43-4893320  
Qualified in Richmond County  
Certificate Filed in New York County  
Commission Expires May 11, 20 07

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Attorneys for Plaintiff  
CHINA NATIONAL CHARTERING CORP.  
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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

CHINA NATIONAL CHARTERING CORP.,

Plaintiff,

-against-

YANGJIANG FENGYUAN GRAIN AND  
OIL INDUSTRIAL CO. LTD.,

Defendant.

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**AFFIDAVIT UNDER  
SUPPLEMENTAL RULE B**

STATE OF NEW YORK                    )  
                                                  )  
COUNTY OF NEW YORK                )       ss:

JACK A. GREENBAUM, being duly sworn, deposes and says:

1. I am a member of the Bar of this Honorable Court and a member of the firm of Blank Rome, LLP, attorneys for the Plaintiff herein. I am familiar with the circumstances of the complaint and submit this affidavit in support of Plaintiff's request for the issuance of process of maritime attachment and garnishment of the property of defendant YANGJIANG FENGYUAN GRAIN AND OIL INDUSTRIAL CO. LTD., ("Defendant"), a foreign corporation, pursuant to Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims of the Federal Rules of Civil Procedure.

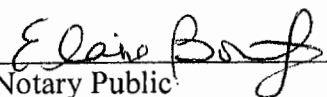
2. Defendant is a party to a maritime contract of charter party and is a foreign corporation with offices in China and no offices or place of business within this judicial district.

3. Under my supervision, my office did a search of the New York State Secretary of State, Division of Corporations, the Transportation Tickler, telephone assistance, and a general internet search.

4. In our search, we did not find any listing or reference to Defendant in this judicial district or the state of New York. In the circumstances, I believe Defendant cannot be found within this district.

  
JACK A. GREENBAUM

Sworn to before me this  
27<sup>th</sup> day of December, 2006

  
Notary Public

**ELAINE BONOWITZ**  
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